GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:1802
ANSWERED ON:28.11.2001
SECURITY DEPOSIT
RAMJI MANJHI

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether the Supreme Court has held in a judgement recently that pay orders are also cheques and copies of the judgement sent to OM & AGM(Sty) Kendriya Bhandar for action;

(b) if so, the reasons for the Kendriya Bhandar still asking earnest money deposit through bank draft and not accepting the cheques; and

(c) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE MINIS PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND M OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE. (SMT.VASUNDHARA RAJE)

(a): Yes, Sir.

(b)&(c): While a pay order is also a cheque in as much as it is a negotiable instrument, a pay order or draft is also an unconditional order of payment from a very reliable source. This may not be the case for a cheque. Therefore Kendriya Bhandar asks for EM through Bank Draft/Pay Orders and not through a cheque. It is also the discretion of a purchaser to prescribe the manner/instrument by which EM shall be payable.